

**FISCAL MEMORANDUM**  
**HB 283 – SB 1010**

May 9, 2007

**SUMMARY OF AMENDMENT (008178):** Requires the Bureau of TennCare to submit a state plan amendment to the Centers for Medicare and Medicaid Services (CMS) which includes a payment methodology for Medicaid enrollees who are not also enrolled in Medicare. The payment will be the average contract rate that would apply under the state plan for general acute care hospitals.

**FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Expenditures - \$4,356,600

Other Fiscal Impact – Increase Federal Expenditures - \$7,643,400

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Expenditures – Not Significant**

Assumptions applied to amendment:

- The Bureau of TennCare will not incur a significant increase in state expenditures for the submittal of a State Plan Amendment to CMS. Any increase will be absorbed within existing resources.
- The bill as amended requires that the payment methodology developed per the state plan amendment be budget neutral for FY07-08. It is assumed that the Bureau of TennCare will submit an amendment to the state plan which will be continually budget neutral.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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